

US EXECUTIVE APPROVAL FORM**CUSTOMER NAME: Nextel Communications, Inc.**

SECTION I – 12/19/2002: Oracle lost the Applications evaluation to Peoplesoft. We are attempting to take the database business off of the table in December with excess 2002 capital budget available to Nextel.

1. This request to defer the start date for Support requires HQAPP approval. Customer has year end capital budget leftover. They do not have excess expense budget. They want to place this order showing that Support begins 1/08/2003 allowing them to capitalize the License Fees in 2002, and the Support Fees in 2003.
2. This request to honor the License Migration worksheet completed and approved in November, 2002 through 5/15/2003 requires HQAPP approval.
3. This discount, (61%- includes an additional pt for JE for delayed support date) request requires Tier 1 (Keith Block) approval.

List License: \$8,760,000 (6200 Named User Plus of DB EE, 50 Processors ea of DB EE,
RAC, Partitioning, Tuning, Diagnostics)
Net License: \$3,504,000
Net Support: \$770,880 (22% of net license)
Net L&S: \$4,274,880

4. This Price Hold request requires Tier 1 approval, per the 12/13/2002 Global Approval Matrix.
Price Hold of 50% discount off 11/7/2002 EPL for the following order, if received prior to May 15, 2003:
Partitioning, 11,040 Named Users, net License of \$1,104,000
Diagnostics, 10,940 Named Users, net License of \$328,200
Tuning, 10,940 Named Users, net License of \$328,200
Total Net License: \$1,760,400
Total Net Support: \$387,288
Total L&S: \$2,147,688

Based on the Migration Worksheet completed and approved, November, 2002, with the completion of a license migration, this May 15, 2003 order will result in a matching amount of licenses for DB EE, Partitioning, Diagnostics, and Tuning.

5. Support_ 5 years flat. (0% for 4 renewals). They are requiring a commitment that their costs will not increase over this 5 year period.

**All Approval Requests below this line were approved by HQAPP on 12/09/02
Customer has requested that we present an OD loosely based upon scenario #2, therefore the following additional approvals are needed:**

Pricing

v.1



Page 1

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1. Request approval to license 16,000 "Nextel Employee Bundles" with a discount of 81% for the purchase of a program footprint (may need to be modified but not decreased on overall NLF.)
 - Nextel Employee Bundle to include the attached footprint of program/quantities but OD will show bottom line "bundle" fees only. (no discounts or line item pricing).
 - Pricing based upon NLF of footprint – Fees paid credit as a result of the MAT sheet = final NLF divided by 16,000 employees.
 - Net license fee per bundle of \$529.74 (after credits). (associated support % to be determined by final deal NL ie: if NL is >\$5M then TS will be 20%; >\$10M = 18%, etc. and addition of support roll-in to not be separately listed).
2. Request approval for an 60% discount on the MAT spreadhseet for the purchase of 395 Processors of DbEE; and for an 81% for incremental 4,000 Compensated Individuals of Incentive Compensation and 3 processors of Spatial.
 - These are for external usage and take the deals total NL above \$10M.
3. Annual True-Up.
 - Annual written certification and payment requirement for incremental growth to true-up the number of actual employees and/or contractors (as reported in annual report or a combination of annual reports) for all subsidiaries listed on the attached subsidiary exhibit.
 - True-Up date to be April 15th of each year and the certified number to have back up documentation including but not limited to an Annual Report or 10K report showing total Employees and appropriate internal report showing total Contractors.
 - Bundle True-up Pricing per employee is \$761.34 in License Fees. (NLF of footprint divided by 16,000 employees/ no credits associated with the go forward pricing.).
4. Mergers/Acquisitions. In the event of a merger/acquisition, Nextel will be required to "true-up" the merged/acquired entities employees (a) by notifying Oracle within 90 days of the acquisition/merger, (b) true-ing up the delta of what they are currently licensed for compared to the new total employee population and (c) must fulfill their payment obligation within 30 days of the notification.
 - This would be considered a one-off true-up and would in no way relieve them of their annual true up obligation above.
 - Pricing is the same as in #3 above.
5. Add definition for "Nextel Employees" (sum of Employees and Contractors).
6. Support. 5 years flat. (0% for 4 renewals). They are requiring a commitment that their costs will not increase over this 5 year period.

NEW DEAL SUMMARY

	Bundle	External	Totals
License Discount	81% (before net fees paid credit)	68.46% (before net fees paid credit)	78.4% (before net fees paid credit)
List License Fee	\$ 67,976,645.00	\$ 17,810,000.00	\$ 85,786,645.00
List Support Fee	\$ 12,235,796.10	\$ 3,918,200.00	\$ 16,153,996.10
Net License Fee	\$ 8,475,866.00 (with net fees paid applied)	\$ 1,572,620.00 (with net fees paid applied)	\$ 10,048,486.00
Net Support Fee	\$ 1,525,657.71	\$ 345,978.40	\$ 1,871,636.11

Total Net L+S	\$ 10,001,523.71	\$ 1,918,598.40	\$ 11,920,122.11
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All Approval Requests below this line were approved by HQAPP on 11/18/02 to be valid through Q3 as this was an RFQ response:

Summary: Nextel has submitted a RFQ request. The RFQ has four separate scenarios on which they are requesting pricing. The approval form below has been broken out into scenario's 1, 2, 3 and 4; all of which we would like approval to present independently of each other. In addition, we have included an "All Inclusive Requests" category that we would like approval on. The items in this category will pertain to all four scenarios.

The scenarios listed below contain a migration for which MAT is in the final stages of completion.

Scenario #1: Customer requests pricing for applications migration to the ebusiness suite.

1. Purchase: Request (which takes into account the MAT %'s) with line item discounting broken out as follows:
 - a. 65% Discount on the following: (i) MAT sheet's E-Business Suite Professional User (approx. 6000 migrated licenses); (ii) Incremental new E-Business Suite Employee Users to cover remaining employee population; (iii) eBusiness Suite components as follows: Advanced Supply Chain Planning, Demand Planning, Collaborative Planning, Supply Chain Intelligence, Sourcing, Activity Based Management, Balanced Scorecard, Tutor for Applications, Self-Service Tutor for Applications, iLearning, CRL Financial Management, and Network Logistics.
 - b. 75% Discount on Payroll, Time & Labor, and iRecruitment.
2. Price Hold: Request a 5 year price hold for the programs and discounts being sold in initial order and which are detailed out in #1 above).
3. Support: 3 years capped at 0% (initial plus 2 renewals), 2 additional renewals at 4%.

Scenario #2: Customer's request for pricing for Financials add-ons ONLY.

1. Pricing: Request approval for a 50% for the incremental purchase of Treasury, Internet Expenses, Financials Intelligence, and Balanced Scorecard. No migration is necessary for this scenario, as Nextel is fully licensed for core Financials. (Tier 2)
2. Price Hold: Request a 5 year, 50% price hold for the programs being licensed in initial order as a result of the migration and incremental purchase.

Scenario #3: Customer's request "Pricing based on EMPLOYEE SIZING. The vendor should use 20,000 as the initial employee count. Vendor should also provide an annual license true-up approach for employee growth beyond the initial employee count or licensed level. Oracle's interpretation: migration of technology to an employee based deal.

1. Purchase.

- a. Request a discount of 50% for the incremental purchase of DbEE, RAC, Partitioning, Spatial, Diagnostics and Tuning Processors. (Tier 2)
- b. Request a discount of 65% for the incremental purchase of DbEE, RAC, Partitioning, Diagnostics and Tuning Named User Plus – which will then be licensed as an “Employee Bundle” which will have a net license fee per bundle of \$532.00 (associated support % to be determined by final deal NL (ie: if NL is >\$5M then TS will be \$532 X .20)).
 - Database and Options that are licensed today as Concurrent will be migrated per standard practice to Named User Plus metrics but license them as “employees” for internal purposes only.
 - Database and Options that are licensed today as UPU’s will be migrated per standard practice to Processors.
 - All other technology programs to be migrated per standard policies.

2. Annual True-Up.

- a. Annual written certification and payment requirement for incremental growth to true-up the number of actual employees and/or contractors (as reported in annual report or a combination of annual reports) for all subsidiaries listed on the attached subsidiary exhibit.
- b. True-Up date to be April 15th of each year and the certified number to have back up documentation including but not limited to an Annual Report or 10K report showing total Employees and appropriate internal report showing total Contractors.
- c. True-up Pricing of \$532 in NL per “Employee” and to be valid for 5 years. (Support to be same as initial deal).
- d. Draft true-up in blocks of 50 employees.

2. Mergers/Acquisitions. In the event of a merger/acquisition, Nextel will be required to “true-up” the merged/acquired entities employees by notifying Oracle within 90 days of the acquisition/merger and must fulfill their payment obligation within 30 days of the notification. (True-Up to be based on the \$532 rate above).

3. Add definition for “Nextel Employees” (sum of Employees and Contractors).

4. Price Hold: Request a 5 year price hold for additional quantities of technology Processors being purchased on this order. (Same discount as initial order.)

5. Support: 3 years capped at 0% (initial plus 2 renewals), 2 additional renewals at 4%.

Scenario #4: Customer’s request “Pricing based on the TOTAL ENTERPRISE License, i.e. converting , upgrading or trade-in of ALL existing use licenses for new pricing and employee license grants. (inclusive of all HR, Purchasing, Financials, Tools, Databases, etc.) Oracle’s Interpretation: This is a combination of Scenario’s 1 and 3. Please approve the following IF BOTH scenario’s are executed on the same OD:

1. In addition to scenarios 1 and 3 above, approve that the discount be increased to 70% for all E-Business Suite applications detailed in scenario 1 and for DbEE, RAC, Partitioning, Diagnostics and

Tuning Named User Plus detailed in scenario 3. Net license fee for this option will be greater than \$10M and the extended discount will only be offered if both scenarios 1 and 3 are chosen.

2. Support Cap. Extend a 0% support cap for 4 renewals from the effective date.(5 year flat line).

All Inclusive Requests:

1. Validity. As this is a response to an RFQ, please approve that this approval be valid for the remainder of Q2 as well as Q3.
2. Technical Support.
 - a. Request incremental new support priced at 20% of net license fees if net license fees remain above \$5M. and 18% if the deal goes above \$10M in NLF.
 - b. Request that orders off of the price hold be subject to the remaining years of the relevant support cap listed in each scenario above. (note: no support protection for #2).
3. Education.
 - a. Customer is not purchasing EPPC's on existing contract, but would like the right to purchase EPPC's for 5 years at a 25% discount off of the price in effect at the time of the EPPC order. (Requires John.l.hall_appr)
 - b. Remove standard EPPC quote as Nextel is working with AM for a specific education deal. (Tier 1)
 - c. Request approval that if the customer purchases EPPC with a transaction value greater than \$500,000 on this initial ordering document, that they will receive a discount up to 50% but in no case would the discount for EPPC's exceed the discount being offered on the license transaction.
4. Expanded Customer Definition: Majority owned subs (>50%) with an exhibit and subs agree in writing to be bound by terms of the agreement. (If Scenario #3 (ELA) is executed, all subs that are on the exhibit will be required to be licensed) (Tier 2)
5. Price Holds. In addition to the specific price holds detailed in the scenario's above, request approval for a 5 year price hold at 50% for any programs not being purchased on the initial order; and based off of the 11/7/02 price list. (excluding eBus and Collab suites).
6. Waive CD Pack Fees (Tier 2)
7. Future ODs Placed off Price Hold. Request that language be added which allows the T's and C's of this OD to apply to future OD placed pursuant to price hold. (ie: TS flatline, attached definitions, etc)
8. Request that we add language to require Nextel to do a self-audit within 90 days of the date of execution of this OD, and provide a certification letter to Oracle at that time, as to their Oracle usage. If they determine that their usage exceeds their existing license count, they agree to immediately place an order to increase their existing licenses. Oracle agrees not to audit during this 90 day period.

SECTION II – Deal Summary: NOTE: all numbers in the deal summary section are for Net New purchase only. Technical Support roll-in, ebusiness suite uplift and migrated net license fees due will all be in addition to the numbers listed below. (and will be determined once the final migrated sheet has been completed).

	Deal Summary- Scenario #1	Deal Summary- Scenario #2	Deal Summary- Scenario #3	Deal Summary- Scenario #4
Programs	<p>65% on: MAT spreadsheet resulting in 6000 E-Business Suite Professional Users and 8000 new E-Business Suite Employee Users; 500 Adv. Sppl Chain; 500 Demand Plng; 500 Sppl Chain Intell; 500 Collab. Plng; 25 Sourcing; 14,000 Bal. Scorecard; 14,000 ABM; 2000 Tutor for Apps; 14,000 SS Tutor; 14,000 iLearning; CRL Financial Mgmt. Network Logistics.</p> <p>75% on: 14,000 Payroll; 14,000 Time & Labor; 14,000 iRecruitment.</p>	<p>50% on: Incremental New 20 Treasury; 50,000 Internet Exp; 14,000 Bal. Scorecard; 14,000 Fin. Intell.</p>	<p>50% on: Incremental purchase of DbEE, RAC, Partitioning, Spatial, Diagnostics and Tuning Processors.</p> <p>65% on: Incremental purchase of DbEE, RAC, Partitioning, Diagnostics and Tuning Named User Plus.</p>	<p>70% on: MAT spreadsheet resulting in 6000 E-Business Suite Professional Users and 8000 new E-Business Suite Employee Users; 500 Adv. Sppl Chain; 500 Demand Plng; 500 Sppl Chain Intell; 500 Collab. Plng; 25 Sourcing; 14,000 Bal. Scorecard; 14,000 ABM; 2000 Tutor for Apps; 14,000 SS Tutor; 14,000 iLearning; CRL Fin. Mgmt.; Network Logistics.</p> <p>75% on: 14,000 Payroll; 14,000 Time & Labor; 14,000 iRecruitment.</p> <p>50% on: Incremental purchase of DbEE, RAC, Partitioning, Spatial, Diagnostics and Tuning Processors.</p> <p>70% on: Incremental purchase of DbEE, RAC, Partitioning, Diagnostics and Tuning Named User Plus.</p>
License	66 % (ebiz +	50 % (ebiz +	63.57 % (ebiz +	69.5 % (ebiz +

Discount	41 %)	25 %)	38.57 %)	44.5 %)
Support Discount	66 % (ebiz + 41 %)	50 % (ebiz + 25 %)	63.57 % (ebiz + 38.57 %)	69.5 % (ebiz + 44.5 %)
Support Options/Holds	5 years flat	5 years flat	5 years flat	5 years flat
Price Holds	5 years	5 years	5 years	5 years
List License (incremental new)	\$ 19,054,990.00	\$ 2,779,900.00	\$ 16,238,800.00	\$ 35,293,790.00
List Support (incremental new)	\$ 4,192,097.80	\$ 611,578.00	\$ 3,572,536.00	\$ 7,764,633.80
List Comp & Admin	NA	NA	NA	NA
Net License	\$ 6,466,246.00	\$ 1,389,950.00	\$ 5,916,080.00	\$ 10,796,638.00
Net Support	\$ 1,293,249.20	\$ 305,789.00	\$ 1,183,216.00	\$ 1,938,534.80
Net Comp & Admin	NA	NA	NA	NA
Net Total Price	\$ 6,595,495.20	\$ 1,695,739.00	\$ 7,099,296.00	\$ 12,735,173.00
Price List Used	11/07/02	11/07/02	11/07/02	11/07/02

Customer History - Existing Price Holds	
Existing contractual discount (price hold)	
Date of Price List for price hold	
When does price hold expire?	
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	
Name of Agreement if applicable	

SECTION III - Justification:

- 1) Nextel Communications is the 5th largest wireless company in the U.S. with approximately \$7.5B in 2001 annual revenue. Nextel is undergoing a significant evaluation of its Financial, HR and SCM systems and business processes in an effort to become more operationally efficient. Nextel currently owns Oracle 10.7 Financials, Peoplesoft HR and Ariba Procurement. Executive management believes there is significant benefit to moving to a single applications suite provider. Nextel pays Oracle annual support of approximately \$4M. Losing the financials footprint would represent an annual loss of approximately \$1.2M in support revenues. It will also lock Oracle out of future application and consulting services sales for at least five years.
- 2) Nextel is an extensive user of Oracle technology products. IBM has been making a very strong push for DB2, Websphere and other tools. In addition, Teradata is aggressively pursuing the Nextel Data Warehouse and has engaged Nextel in a pilot. An employee/named user type of technology license strategy will help to lock Nextel into Oracle technology products.
- 3) The applications evaluation is between Oracle and Peoplesoft. Nextel has indicated they are evaluating 3 options: a) all Oracle; b) all Peoplesoft; c) combined Oracle/Peoplesoft solution. Customer is leaning toward option a) or b), as this would provide the least complexity. The E-Business Suite provides Oracle with some leverage, however, most of the applications in the Suite outside of Financials that Nextel would eventually use will not be needed until next year. The account team anticipates that Peoplesoft will substantially discount their Financials/SCM offering in order to win the entire footprint and oust Oracle.

- 4) Oracle HR was installed at Nextel 4 years ago, but subsequently pulled out due to a failed implementation. Self Service will be implemented starting in April. Requesting 75% discount on HR add-on components to preempt user resentment towards Oracle HR and anticipated discounts offered by Peoplesoft.
- 5) Requesting price holds on many additional products to cement Oracle position as Nextel continues to grow over next 5 years.
- 6) Nextel also requests a 5 year, 0% cap for support renewals, as having unknown variables to manage in their annual budgeting is unacceptable.
- 7) Oracle Consulting is bidding for the upgrade/implementation work associated with this project. Consulting fees associated with the 11i upgrade are expected to be in excess of \$10M.

Submitted By: Patrick Hardy (ASM), Todd Leisure (TSM), Jeff Keplar (RM)

Field RM name if submitted by iSD:

Recommendation:

R: *(leave blank for HQAPP to fill out)*

C:

L:

A:

BP:

PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.

SECTION V – Ordering Document Details**Instructions** - Fill in all sections completely.**APPROVAL REQUIREMENTS** - Refer to the Approval Matrix at <http://esource.oraclecorp.com>**PRICING REQUIREMENTS** – Refer to Price List and Price List Supplement for minimums and prerequisites.**PRICING SPREADSHEET** – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.**MIGRATIONS** - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to <http://nafo.us.oracle.com> under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.**Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.**

General Information	
Contract requested by (insert date): After all approvals are obtained - Allow 24 hours for standard contracts and 48 hours for non-standard contracts.	11/26/02
Opportunity I.D. (OSO Number):	901116
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does deal contain new licenses with an <i>approved</i> non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	<input type="checkbox"/> Yes (specify non-supported license type and eBusiness license type used to determine conversion) <input checked="" type="checkbox"/> No
Quote Valid Through (insert date):	
Partner (insert name, if applicable)?	Margin or % of net license fees _____
VAD (insert name, if applicable)?	Margin or % of net license fees _____
PARTNER PAYMENT: If this is a direct deal, does it involve a Partner Referral Fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, specify payment type:	<input type="checkbox"/> Applications Affiliate Fee <input type="checkbox"/> ROP Fee (<i>GB Use Only</i>)
MIGRATIONS OR UPDATES:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
PREMIUM SERVICES:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
INCIDENT PACKS:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Payment Terms:	<input checked="" type="checkbox"/> Net 30 <input type="checkbox"/> Other (Specify)
Referenced Agreement:	<input checked="" type="checkbox"/> New OLSA <input type="checkbox"/> Other (Specify)

Customer and Administrative Information – all fields must be filled in	
Customer's EXACT Legal Name:	Nextel Communicatons
Business Address:	2001 Edmund Halley Drive
City / State / Zip:	Reston, VA 20191
Customer Contract Admin:	Kathryn Hinton
Phone #:	703/552-7286
Fax #:	703/552-7269
E-mail ID:	Kathryn.Hinton@Nextel.com
Billing Contact:	Kathryn Hinton
(Partner/VAD if Indirect):	
Address:	593 Herndon Parkway
City / State / Zip:	Herndon, VA 20170
Phone #:	703/552-7286
Fax #:	703/552-7296
E-mail ID:	Kathryn.Hinton@Nextel.com
Tax Status :	Exempt <input type="checkbox"/> (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt <input checked="" type="checkbox"/> X
Shipping Contact:	Lisa Fortin
Address:	593 Herndon Parkway
City / State / Zip:	Herndon, VA 20170
Phone #:	703/552-7048
Fax #:	703/552-7101
E-mail ID:	Lisa.Fortin@Nextel.com
Technical Support Contact:	Craig Stuart
Address:	593 Herndon Parkway
City / State / Zip:	Herndon, VA 20170
Phone #:	703/552-7137
Fax #:	703/552-7101
Email ID:	Craig.Stuart@Nextel.com
Partner Name (Indirect):	
Address:	
City / State / Zip:	
Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

Education (EPPC)	
Education Prepaid Credit Amount:	\$ _____
Education Discount:	_____ %
Education Revenue:	\$ _____
Education Sales Rep:	

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PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)

Make and Operating System required for each program:

Make: HP

OS: HP Unix

PROGRAMS:

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Applications			
Will applications be modified:	Yes	<input checked="" type="checkbox"/> No	
Will users be accessing modified Apps from the web:	Yes	<input checked="" type="checkbox"/> No	
Have all prerequisites been included:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Will users use Fast Forward RPM:	Yes	<input checked="" type="checkbox"/> No	
Will applications be hosted:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Indicate database that Apps will run on:	Oracle 9i		
Indicate CSI for existing prerequisite database and tools:			

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	
(2)	
(3)	
(4)	

Internal Administrative Information	
Applications Sales Manager	Patrick Hardy
Technology Sales Manager	Todd Leisure
Account Manager	NA
iSD Rep	Kyle Ellis
Education Sales Rep	Ana Besu
Support Renewals Rep	??
Premium Support Rep	??
Migrations Manager	??
Is there a teaming agreement?	<input type="checkbox"/> Yes (if yes, list all appropriate reps) <input checked="" type="checkbox"/> No
Requester:	Name: <u>Patrick Hardy</u> Business Telephone: <u>703/364-0474</u> Cell Phone: <u>703/622-4188</u>